

**10/6/77 [1]**

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THE PRESIDENT'S SCHEDULE

Thursday-October 6, 1977

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8:15            Dr. Zbigniew Brzezinski - The Oval Office.

8:45            Secretary Cecil Andrus and Mr. Frank Moore.  
                 The Oval Office.

9:30            Meeting with Western Senators. (Mr. Frank Moore).  
(30 min.)                            The Cabinet Room.

11:00           Mr. Jody Powell - The Oval Office.

11:30           Meeting with Secretary Harold Brown et al.  
(30 min.)           (Mr. Jack Watson and Dr. Zbigniew Brzezinski).  
                                 The Cabinet Room.

1:20            Mrs. Nancy Abrams. (Ms. Fran Voorde).  
(5 min.)                            The Oval Office.

1:30            Mr. Jay Solomon, Administrator, GSA.  
(10 min.)           (Mr. Jack Watson) - The Oval Office.

1:45            Secretary Ray Marshall. (Mr. Jack Watson).  
(20 min.)                            The Oval Office.

THE WHITE HOUSE  
WASHINGTON

October 6, 1977

Zbig Brzezinski

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Huteson

cc: Tim Kraft

RE: LETTER FROM AMBASSADOR WEST  
AND MEETING

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	ARAGON
	BOURNE
✓	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

✓	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

MEMORANDUM


THE PRESIDENT HAS SEEN.

6442

THE WHITE HOUSE  
WASHINGTON

October 6, 1977

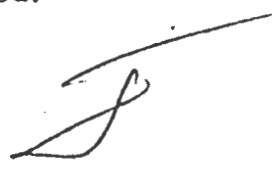
ACTION

MEMORANDUM FOR: THE PRESIDENT  
VIA: TIM KRAFT  
FROM: ZBIGNIEW BRZEZINSKI   
SUBJECT: Letter from Ambassador West

Attached is a personal letter to you from Ambassador West in Saudi Arabia. He describes his recent visit to Jordan, Syria and Egypt, which he found very useful. He points out that one of the factors which keeps the Palestinians from accepting UNSC Resolution 242 is that formal recognition of Israel might void their claims for compensation or return to their homes within the boundaries of pre-1967 Israel. He finds increasing skepticism in the Arab world about the prospects for peace and Arab paranoia about Zionist influence in the United States. He notes that Prince Saud plans to see you sometime after October 20 (we have tentatively scheduled a meeting on October 25), and Ambassador West would like to have a few minutes with you sometime after his return on October 10.

The Department of State has separately requested a brief meeting with you for Ambassador West during the period of October 17-21. If you wish to meet with him, I will prepare a reply to this letter for your signature confirming a 15-minute office meeting during the October 17-21 period.

- ☒ Approve. Prepare a brief reply confirming the meeting.
- ☐ Disapprove. I will see him during the Saud visit.  
No reply required.



JOHN C. WEST  
AMERICAN EMBASSY  
APO NEW YORK 09697

Sept 23, 1977

Dear Mr. President:

I took advantage of the post Ramadan holiday (5 days) to visit Amman, Larnarcus & Cairo. I have found that talking to the other Ambassadors and their staffs is most helpful in understanding some of the complexities of the problem here.

The visits with Tom Pickering in Jordan and Dick Murphy in Syria were particularly enlightening, especially with respect to the P.L.O. problem as it deals with UN 242. Arafat is insecure and because of the internal jealousies has had to adopt a "least common denominator" position in order to maintain his leadership.

This fact, along with the skepticisms & jealousies of the Syrians account for the failure to accept 242 at the time of Uyl's visit. Apparently the Syrians have

JOHN C. WEST  
AMERICAN EMBASSY  
APO NEW YORK 09697

more influence over the PLO than  
anyone else, despite the fact that  
Saudi Arabia provides most of their  
financing.

The Syrians don't trust the Egyptians  
on the U.S. They still think Kissinger  
turned up with Sadat in the 1974 Sinai  
withdrawal + got him down the river  
in addition, they don't want either  
Egypt or Saudi Arabia to take too strong  
a leadership position in the Arab  
world, especially at the expense of Syria.  
Hence they voted the 242 acceptance.

In the PLO matter, there was  
substantial opposition to a decision  
which I had not realized - namely  
that many PLO positions are in the  
Palestine area is now a part of  
Israel's pre 1967 borders. Many claim  
to have homes + property in Jerusalem,  
Nagasaki, etc. Their Israeli law as  
they understand it, acceptance of 242  
would mean recognition of Israel's  
sovereignty including the partition  
of any area or consequence of property  
it now has. The other Arabs, by

accepting 242, they consider that they  
are helping however they might be  
return to their homes and farms.  
I don't know why they haven't asked that  
permission as an additional reservation to  
their acceptance for it seems to be quite  
important to a conservative nation.  
at any rate, it's another complication,  
adding to the problems, Nationalism,  
religions and emotional confusion  
which makes this Arab-Israeli problem  
so difficult of solution.

There is as you undoubtedly have  
recognized an increasing skepticism  
in the Arab world on the prospects for  
peace — and our ability to bring it  
about. In fact, the Arabs are  
pessimistic (I still believe!) on the  
outpost of the Zionist influence in  
the U.S. as well as their government  
in manipulating events and opinion  
to their advantage. Two examples:

(1) They are convinced that the present  
Israeli activity in South Yemen has  
been intended to divert attention from  
the meetings with the foreign ministers  
and to get the Arabs by the PLO trap



JOHN C. WEST  
AMERICAN EMBASSY  
APO NEW YORK 09697

so they won't or can't accept #242;

(2) They are convinced that the furor over Lance is Zionist inspired to keep you involved on the domestic side so you can't pursue your Mid-East policy. (They ask, "But what wrong has Mr. Lance done & why should the President be concerned?" - I haven't had a satisfactory answer to that one!)

On the positive side, especially in Saudi Arabia, the relationship with the U.S. is excellent. Your credibility and prestige continue to be high, and blame for the lack of progress is put on Begin and the Zionist control of the U.S. press and Congress.

Prince Saud is looking forward to seeing you sometime after he arrives, on Oct 20 - he is coming over to address the U.N. about Oct 1, but returning immediately to Saudi. He will come back to the U.S. in time to speak at the Southern Center in Atlanta on Oct 22.

JOHN C. WEST  
AMERICAN EMBASSY  
APO NEW YORK 09697

I have suggested that he talk about  
the situation and if possible emphasize  
that Saudi Arabia is willing as a party  
the peace process to begin negotiating the  
process. Don't know how far he will go,  
but I expect Paul Austin will be an  
attentive listener.

I will be back in the states about  
Oct 10 + plan to remain thru the  
Atlanta meeting, returning here in  
time for Soc. Democrats that's best. Hope  
to have a few minutes with you  
during that time.

Shelton arrived two weeks ago +  
he + Kim are having a great time.  
Beth join in regards to you + Mary.

Sincerely,  
Dave

P.S. I have really felt in you those  
last few days, knowing what feelings  
you must have about Paul Austin  
and especially the situation in Saudi  
Arabia. The story in which you left  
has been the same matter.

Jim

ACTION REQUESTED AS SOON AS POSSIBLE

THE WHITE HOUSE  
WASHINGTON

October 5, 1977

*Signed Oct. 6, 1977  
Follows -  
Rewrite &  
return to Kay  
J*

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JAMES F. GAMMILL, JR. *JFG*

SUBJECT:

Presidential Retirement

Attached for your signature is a letter acknowledging the retirement from regular active service of Honorable John J. Sirica as United States District Judge for the District of Columbia.

**Electrostatic Copy Made  
for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

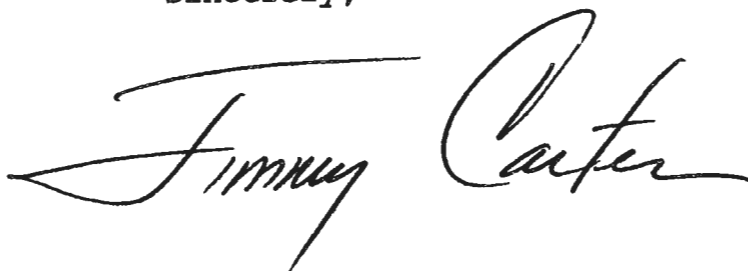
To Judge John Sirica

On behalf of the American people, I congratulate you for your distinguished career in the Federal judiciary since 1957.

You have been given an opportunity afforded to few of us who enter upon public service: to exhibit, at a time of the greatest challenge to our system of government, the personal courage and wisdom needed to sustain it, and by these actions to become a lasting symbol of unflinching devotion to duty.

As you retire now from regular active service, you have my warmest wishes for good health, happiness, and more years of fruitful contributions as a Senior Judge.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable John J. Sirica  
United States District Court  
for the District of Columbia  
Washington, D.C.

THE WHITE HOUSE  
WASHINGTON

October 6, 1977

Jim Fallows -

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling as soon as possible. The letter should be released today.

Rick Hutcheson

RE: LETTER TO JUDGE SIRICA - RETIREMENT

THE WHITE HOUSE

WASHINGTON

October 5, 1977

MEETING WITH WESTERN COALITION OF SENATORS

Thursday, October 6, 1977

9:30 a.m. (30 minutes)

State Dining Room

I. PURPOSE

The Western Coalition of Senators is greatly interested in the policy issues which are addressed by the Water Resources Policy Study commissioned by you, since nothing concerns them more than their water resources.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: Virtually all of these Senators are upset with our water resources policy. The prevailing sentiment is that most of our policy makers do not understand water problems in the west and do not realize how vital water is to their states.
- B. Participants: The President, Secretary Andrus, Senators Burdick, Cannon, Church, Cranston, DeConcini, Domenici, Garn, Goldwater, Gravel, Hansen, Hart, Haskell, Hatch, Hatfield, Hayakawa, Jackson, Laxalt, Magnuson, Matsunaga, McClure, McGovern, Melcher, Packwood, Schmitt, Stevens, Wallop, Young, Frank Moore, Dan Tate, Gary Catron.

- C. Press Plan: White House Photo Only.

III. TALKING POINTS

1. You and other Senators and members of Congress rightfully pointed out what a massive task the reform of water policies and programs will be. In response to your very legitimate request, Secretary Andrus has recently announced significantly more time for this study. Public comments are invited through November 20 and final recommendations won't

come to me until next February from the task force. This additional time will allow much better consultation with you, the states and the public.

2. The water policy task force has published option papers laying out a number of possibilities, none of which represent decisions. The purpose of the option papers was to elicit far-reaching comments and ideas. I can assure you that we do not intend to take over state water rights, as some apparently concluded from the option papers (Hansen in particular).
3. I am particularly pleased to hear from Western Senators because of the overriding importance of water in your area. I would also point out this water policy effort is national in scope and the special problems of every region will be taken into account.
4. My goals in water policy reform are to look at water questions in a national policy framework, and to make sure that federal investments are economically and environmentally sound today. Some of our water programs and projects have resulted in needless expense and environmental destruction. I think you would all agree that when billions of dollars are going into a program, it's important periodically to assess its effectiveness.
5. Water projects funding for FY 1979: I will be analyzing the budget this fall and, as I said when I signed the Public Works Appropriations Bill, I will carefully scrutinize the projects proposed for construction.
6. Comments on specific projects should be avoided because (1) we need to give Democrats advance word and (2) you will probably want to make your views known during your upcoming Western trip.

(Talking Points on Water Resources  
Policy prepared by Kathy Fletcher)



7. In addition to water problems in the west, there is an overriding sentiment that you do not realize the differences between southern agriculture and western agriculture. The biggest difference is variety--southern agriculture is multi-crop where several different crops can be planted, as well as substitutes. The west is basically locked into wheat. And, if they don't have a full supply of water at all times, they could lose a full year of crop production.
8. The wheat surplus has depressed prices. The build up started about 1974 and has continually worsened. The emergency farm bill that would have helped was vetoed by President Ford in 1975 and we've got to give the present farm bill a chance to work. The wheat deficiency payments will run approximately \$262,809,000 and Federal checks will be going out in November through December. This will amount to approximately 65¢ a bushel.
9. Western farmers are also farther from markets than southern farmers, causing them to lose in transportation costs, etc.

Other issues likely to come up are: National forest timber bidding practices, the northern tier pipeline, native claims questions, expansion of existing wilderness areas and designation of new wilderness areas, airline deregulation as it affects western cities other than Los Angeles and San Francisco, and your nuclear non-proliferation policies.



THE WHITE HOUSE  
WASHINGTON

October 6, 1977

Bob Liphstutz

The attached was returned in the President's outbox today and was given to Bob Linder for appropriate handling and delivery to the Attorney General. This copy is sent to you for your information.

Rick Hutcheson

RE: LETTER TO WILLIAM A. QUICK -  
REQUEST FOR RESIGNATION

THE WHITE HOUSE

WASHINGTON

October 5, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

Bob Lipshutz *BJL*

Margaret McKenna *mmk*

SUBJECT: Request for Resignation of United States Marshal

William A. Quick, United States Marshal for the Western District of Virginia, has indicated his unwillingness to submit his resignation. The Attorney General has requested that you sign the attached order removing Mr. Quick from office. ~~There is a recommendation for his successor awaiting your signature.~~ His successor has been confirmed by the Senate.

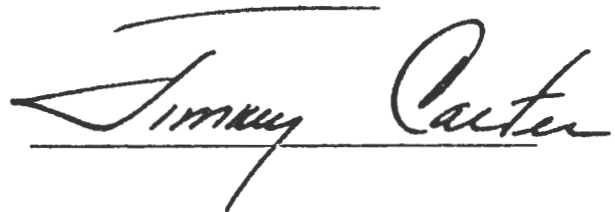
We recommend you sign the attached document.

THE WHITE HOUSE  
WASHINGTON

Mr. William A. Quick  
United States Marshal  
Roanoke, Virginia 24009

Sir:

You are hereby removed from the office  
of United States Marshal for the Western  
District of Virginia effective at the close  
of business Friday, October 7, 1977.

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned above a horizontal line.

Through the Attorney General.

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

1:20 PM

C

Meeting with Nancy Abrams  
Thursday, October 6, 1977  
1:20 p.m.  
(5 minutes)  
The Oval Office

(by: *fran* Voorde)

- I. PURPOSE: Brief Personal visit and photo opportunity.
- II. BACKGROUND, PARTICIPANTS, PRESS:
- A. Background: Nancy asked to come in for a photo. She's separated from husband, Mike, and the only picture she had was with you and Mike and he has it.
- As you know, an early and hard-working supporter.
- B. Participants: The President  
Nancy Abrams  
Hedy Ann Fagan, Nancy's sister.
- C. Press: White House Photographer Only.

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10:30 AM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

C  
/

October 5, 1977

MEETING WITH MEMBERS OF CONGRESS ON THE  
ADMINISTRATION'S MIDEAST POLICY

Thursday, October 6  
10:30 a.m. (30 minutes)  
Cabinet Room

From: Frank Moore *F.M.*

I. PURPOSE

To discuss the Administration's Mideast policy.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

Background: The participants met at 4:00 p.m. today and chose Rep. Sidney Yates to act as their spokesman. The format of the meeting will be as follows: Upon entering the room, the President will give the floor to Rep. Yates, who will address the President with the group's concerns with the Administration's position towards the Mideast, and upon closing, will ask the President to respond to their questions.

Participants: See attached list.

Press Plan: White House Photographer.

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Participants

The President

Frank Moore

Bill Cable

Rep. Sidney Yates (D-9-Ill)--Spokesman

Rep. Anthony Beilenson (D-23-Calif)

Rep. Jonathan Bingham (D-22-NY)

Rep. James Blanchard (D-18-Mich)

Rep. Christopher Dodd (D-2-Conn)

Rep. Joshua Eilberg (D-4-Pa)

Rep. Dante Fascell (D-15-Fla)

Rep. Benjamin Gilman (R-26-NY)

Rep. Dan Glickman (D-4-Kans)

Rep. Willis Gradison (R-1-Ohio)

Rep. Elizabeth Holtzman (D-16-NY)

Rep. Edward Koch (D-18-NY)

Rep. John Krebs (D-17-Calif)

Rep. William Lehman (D-13-Fla)

Rep. Elliott Levitas (D-4-Ga)

Rep. Marc Marks (R-24-Pa)

Rep. Abner Mikva (D-10-Ill)

Rep. Richard Ottinger (D-24-NY)

Rep. Frederick Richmond (D-14-NY)

Rep. Benjamin Rosenthal (D-8-NY)

Rep. James Scheuer (D-11-NY)

Rep. Stephen Solarz (D-13-NY)

Rep. Gladys Spellman (D-5-MD)

Rep. Henry Waxman (D-24-Calif)

Rep. Ted Weiss (D-20-NY)

Rep. Charles Wilson (D-2-Texas)

Rep. Lester Wolff (D-6-NY)

Senators

10-6

THE WHITE HOUSE  
WASHINGTON

National water policy  
Public → Nov 20 → Pres some Feb  
No water right takeover for states  
Projects econ & environ sound  
Review this month  
Open analysis

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THE WHITE HOUSE  
WASHINGTON

Mt. C. Conger  
re M East  
10-6-77

Making progress

Complexity

No duplicity - consistent

Soviet involvement 10/73

① Moderated

> Pales nat rts → Pal Rts  
67 borders

> end of belligerency

> No mention of PLO

> All UN resolutions

> Not prerequisite for S/Arab → Gen

Additional participants approved  
Lebanon

Soviets can block/help = Syria



Statement =  $\Delta$  in policy  
on periphery - No Geneva  
kept rights of Palestinians  
242/338 - statement of no conflict  
365 - leverage

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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 6, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Jack Watson

SUBJECT: TALKING POINTS FOR POSSIBLE  
VISIT TO THE INTERGOVERNMENTAL  
REPRESENTATIVES' MEETING AT  
4:00 P.M. TODAY - ROOSEVELT ROOM

(1) One of your earliest memoranda as President was your memorandum of February 25th directing all Departments and agency heads to

- o appoint a top official for intergovernmental relations;
- o consult with state and local governments in a timely way on every major budget, policy or reorganization proposal that had a significant effect on state and local governments.

(2) You are pleased with the emerging "intergovernmental network" in the Executive Branch and with the potential of such a network to raise the awareness and sensitivity of the federal government to the needs and perspectives of state and local governments.

(3) You are hearing good reports from the governors and others about our responsiveness and you urge everyone to continue their efforts in their individual departments and in the network as a whole on an interagency basis.

(4) Stress the importance of keeping in touch, not only with Jack and his staff at the White House, but with each other.

(5) You are depending on all of us to continue our federal aid reform efforts to cut red tape and unnecessary paperwork.

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*Can't come*  
*Q*

THE WHITE HOUSE  
WASHINGTON

October 6, 1977

AGENDA

INTERGOVERNMENTAL RELATIONS MEETING

1. Federal Budget Review Schedule -- Bruce Kirschenbaum
2. Boston Economic Development Strategy -- Bruce Kirschenbaum
3. IGR/Interagency Response to Steel Problems -- Bruce Kirschenbaum
4. Urban and Regional Policy Group -- Larry Houstoun
5. Conference on Balanced National Growth -- Larry Houstoun
6. Undersecretaries Group/FRCs -- Vince Puritano
7. Federal Aid Update -- Larry Gilson
8. Energy Production Conference -- Bill Peacock
9. Jack Watson's Report

INTERGOVERNMENTAL CONTACTS

ACTION	Donald Green, Executive Assistant for Programs	254-7394
AGRICULTURE	Maynard Dolloff, Assistant to the Secretary for Intergovernmental Affairs	447-6643
COMMERCE	Larry Houstoun, Assistant to the Secretary	377-4341
COMMODITY FUTURES TRADING COMMISSION	William Briggs, Director Intergovernmental Relations	254-3596
CSA	Jane Checkan, Director of State and Local Governments Jerry Storey, Special Assistant to the Director	254-5047
CONSUMER PRODUCT SAFETY COMMISSION	Pamela Aycock, Consultant Intergovernmental Relations	634-7760
DEFENSE	Judy Miller, Assistant for Intergovernmental Relations	695-0028
ENERGY	Samuel Hughes, Assistant Secretary-Designate for Intergovernmental and Institutional Relations William Peacock, Director of Intergovernmental Relations	395-5896 395-6182
EPA	Ed Roush, Director Office of Regional and Intergovernmental Relations	755-0444
ERDA	Eric Willis, Assistant Administrator for Institutional Relations	376-4113
FEA	Tom Dennis, Acting Director of Intergovernmental Affairs	566-9665
GSA	Walter Kallaur, Assistant Administrator	566-1043
HEW	Eugene Eidenberg, Deputy Undersecretary	245-7431
HUD	Randy Kinder, Deputy Assistant Secretary for Intergovernmental Relations	755-6954
INTERIOR	Joe Nagel, Assistant to the Secretary	343-7351
JUSTICE	Larry Gibson, Associate Deputy Attorney General	739-2072
LABOR	Nik Edes, Deputy Undersecretary for Legislation and Intergovernmental Relations	523-6113

NATIONAL SCIENCE FOUNDATION	Robert Crawford, Director Intergovernmental Programs	634-7996
OMB	Vincent Puritano, Deputy Associate Director for Intergovernmental Affairs	395-3774
STATE	Jill Schuker, Special Assistant to the Assistant Secretary for Public Affairs	632-0596
TRANSPORTATION	Terrence Bracy, Assistant Secretary for Congressional and Intergovernmental Affairs Robert Goss, Intergovernmental Liaison Officer Ray Warner, Director of Intergovernmental Affairs	426-4563 426-1524 426-4578
TREASURY	Martha Darling, Executive Assistant to the Secretary	566-8615

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 6, 1977

C  
/

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *FM*

Senator Byrd telephoned me this evening requesting that the meeting scheduled for 8:45 a.m. tomorrow be postponed until very early next week, possibly ~~Monday~~. *Tue*

Senator Byrd explained that the Senate will be in session tonight until 10:00 p.m. and will meet again early tomorrow <sup>9:00</sup>. In view of this, the Senator felt that all parties would be better served by rescheduling the meeting.

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THE WHITE HOUSE  
WASHINGTON

October 6, 1977

Hamilton Jordan

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: CHAIRMAN, POSTAL RATE COMMISSION

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

*Ham - Need  
to hold line on  
costs -  
JC*

October 5, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Hamilton Jordan *H.J.*  
SUBJECT: Chairman, Postal Rate Commission

When the United States Postal Service was reorganized in 1970, the Postal Rate Commission was established to regulate postal rates and classifications. The Commission has never taken an aggressive approach to the rate structure and revenue questions facing the Postal Service because past Presidents have often appointed Commissioners with little interest in the problems of the Postal Service.

The Postal Rate Commission has a key role in determining what methods of accounting the Postal Service should follow in the allocation of costs, and the Commission also has discretion in assigning non-attributable costs to the different service-rate classes. A major part of the Administration's policy towards the Postal Service will be implemented by these decisions.

Earlier this year you nominated Mr. Simeon Bright to be a member of the Commission. At this time, the position of Chairman, a five year term, is vacant. Members of the Domestic Policy staff and the Presidential Personnel staff together have been reviewing candidates for this position.

I recommend that you appoint Mr. Alvin Gandal as Chairman of the Postal Rate Commission. Mr. Gandal is an experienced labor lawyer who has been working with the Postal Service since reorganization. He is currently the Director of the Office of Contract Analysis, and he is considered to be extremely knowledgeable on all aspects of postal operations. He will enter the rate-making process with an open mind and he does not rule out subsidies. In light of the fact that we have not fully determined how the cost allocation issues should be resolved, the nomination of Mr. Gandal, who is sympathetic to many of our concerns but who is not identified with any

one side of the cost allocation issues, will be less controversial than the nomination of someone of comparable stature but who is clearly identified with a firm position on the cost allocation issues.

RECOMMENDATION:

Appoint Alvin Gandel Chairman of the Postal Rate Commission

\_\_\_\_\_ Approve                      \_\_\_\_\_ Disapprove

## COMMENTS ON ALVIN GANDAL

Robert Cole, Vice President, Development Psychiatric Institute of America: "Gandal is very knowledgeable on postal matters, bright and a hard worker. He is a man of integrity and good judgement."

Francis Crowley, Vice President and Associate General Counsel, Litton Industries: "Gandal functions well in controversial situations: he keeps an open mind. He is strong, can withstand a lot of pressure and remain objective."

Elliot Cushman, chief spokesman for Postal Unions 1971 - 1976: "Eminently qualified - knows all aspects of the postal service very well. I recommend him for the Postal Rate Commission very highly."

Herbert Gamser, Attorney, National Arbitration for Postal Workers' Contracts: "Endorse Gandal highly. He is a lawyer and an excellent administrator. He has worked on the contracts dealing with the approximately 700,000 postal workers. He, therefore, knows and understands the Postal Service from top to bottom. He is strong and independent. Very capable of making a professional, balanced judgement."

George O'Brien, spokesman for Mail Advertisers Service Association International: "Gandal has a legal background and knowledge of Postal Operations. He is independent and capable of making fair decisions. He has impressed us with his integrity and intelligence."

Alvin H. Gandal  
3211 Thornapple Street  
Chevy Chase, Maryland  
Home - 652 9556  
Office - 245-4657

**Education:**

A.B. Degree - Case-Western Reserve  
University - 1953  
L.L.B. Degree - Case-Western  
Reserve University - 1956  
Bar Admissions - Ohio - 1956  
D.C. - 1961

**Personal:**

Born 1932, Cleveland, Ohio  
Married 1953  
Two sons, ages 12 and 9  
Height: 6'2"  
Weight: 205 lb.

**Employment History:**

July 1976 - Present

Director, Office of Contract Analysis, U. S. Postal Service

Directly responsible for coordinating all national labor negotiations with unions representing more than 600,000 craft employees. Supervise and coordinate all contract interpretation activity for collective bargaining agreements during the period of administration between collective bargaining negotiations. Deal directly with the top U. S. Postal Service officials and International Union Presidents on labor-management matters.

October 1973 - July 1976

Director, Office of Arbitration Procedures, U. S. Postal Service

Directly responsible for administration of the National Labor Agreement provision for binding arbitration of disputes with labor unions. Developed and implemented the largest system of expedited arbitration in the United States.

Responsible for settling or arbitrating issues of national impact.

April 1973 - October 1973

Special Assistant to the Senior Assistant Postmaster General for  
Employee and Labor Relations, U. S. Postal Service

Member of the national negotiating team for the 1973 National Agreement. Coordinated separate negotiations and directed drafting of agreement.

June 1969 - April 1973

Hired as Attorney-Advisor in Opinion's Division of General Counsel's office to provide labor-management expertise. Advanced to Deputy Assistant General Counsel after formation of Labor Law Division within the General Counsel's office. Worked on the first National Agreement under the Postal Reorganization Act.

Drafted major portions of the P.L. 91-375 pertaining to employee-management Agreements.

April 1961 - June 1969

Maintained general law practice in Washington, DC with emphasis on labor law.

January 1960 - April 1961

Attorney on staff of N.L.R.B. Board member responsible for drafting interpretations of National Labor Relations Act for signature of the National Labor Relations Board.

January 1957 - January 1960

1st Lt. in Judge Advocate General's Corp stationed at the Pentagon in the office of the Labor Advisor to the Secretary of the Army. Worked closely with International Labor Unions to avoid detrimental impact on Army programs of private sector industrial or building trades strikes.

July 1956 - January 1957

Attorney in office of Regional Attorney, U. S. Department of Labor in Cleveland, Ohio handling matters covered by the various labor statutes administered by the Department of Labor.

Scholarship Awards:

Full Tuition Academic Scholarship to Undergraduate School  
Partial Academic Scholarship to Law School  
Phi Society (Honorary Scholarship Society)  
Omicron Delta Kappa - (President) Honorary Leadership &  
Scholarship County

THE WHITE HOUSE

WASHINGTON

Date: October 4, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat  
Hamilton Jordan  
Frank Moore (Les Francis) - *NC*  
Jack Watson *nc by phone*  
Charles Schultze *nc by phone*  
Secretary Schlesinger *by Goldman*

FOR INFORMATION:

The Vice President  
Bob Lipshutz  
Jody Powell

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: McIntyre memo dated 10/3/77 re Administration Compromise -  
Crude Oil Equalization Tax (Wellhead Tax)

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 10:00 A.M.

DAY: Thursday

DATE: October 6, 1977

*COB Wed*

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

*Senate situation*

*strong - no immediate need for decision - Finance Comm will pass Senate  
your crude tax*

*re. flex. in limits  
regarding compromise*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE  
WASHINGTON

Hold For time being  
send J M  
status comment



THE WHITE HOUSE  
WASHINGTON

/	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

/	MONDALE
	COSTANZA
/	EIZENSTAT
/	JORDAN
/	LIPSHUTZ
/	MOORE
/	POWELL
/	WATSON
	McINTYRE
/	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
/	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



Date: October 4, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat  
Hamilton Jordan  
Frank Moore (Les Francis)  
Jack Watson  
Charles Schultze  
Secretary Schlesinger

FOR INFORMATION:

The Vice President  
Bob Lipshutz  
Jody Powell

1545  
Camp  
Schlesinger

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TIME: 10:00 A.M.

DAY: Thursday

DATE: October 6, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ concur.

☐ No comment.

Please note other comments below:

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EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

OCT 8 - 1977

ACTION

MEMORANDUM FOR

THE PRESIDENT

FROM:

JAMES T. McINTYRE, Jr. (Signed) Jim McIntyre

SUBJECT:

Administration Compromise - Crude Oil  
Equalization Tax (Wellhead Tax)

I understand that you have agreed to accept a compromise on the wellhead tax if it is approved by the Senate Finance Committee. Based on reports from Department of Energy and Department of Treasury officials, we understand that the details of this compromise are as follows.

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Disposition of Wellhead Tax Revenues

- ° In 1978 all but \$10 million to \$20 million would be assigned to rebates for individuals. The \$10 million to \$20 million would be used to set up the trust fund.
- ° After 1978 available revenues would be split between an energy development fund and rebates on a 50/50 basis.
- ° A rebate of about \$30 per capita would be provided to individuals having an adjusted gross income of up to \$15,000 annually (joint return) or \$7,500 annually (single return). The rebate would be

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scaled down to about \$15 per capita at \$18,000 per year. A full rebate would also be provided to social security and welfare recipients. This is estimated to require roughly \$30 billion for FY 78-85.

- ° A trust fund would be established to use up to one-half of the revenues for the following purposes:
  - Petroleum storage program. (approximately \$16.0 billion)
  - Loan guarantees for development of high btu coal gasification plants, geopressurized methane, Devonian shale.
  - Price supports or purchase agreements for oil shale development. (NOTE: You opposed Federal subsidies for oil shale during the campaign and the House went through a bitter floor debate last year on synthetic fuel legislation.)
  - About 15% of the amount accruing to the fund for transportation improvements. (Funds could be used for mass transit payments to States based on a population formula or other transportation purposes and would be transferred to DOT from the trust fund. This would amount to about \$4.5 billion for FY 78-85.)
  - Other DOE conservation and R&D programs.
- ° About \$10 billion would be available between FY 78-85 for energy development or other DOE program purposes. The fund would be subject to annual appropriation controls and would not include a borrowing authority. It would be administered by DOE, and not by a separate corporation.

OMB would like to offer several comments regarding the compromise proposal and urge that you hold firm on some critical points.

1. The original Administration proposal resulted in \$68 billion in revenues (before rebates) for the period FY 78-85. The compromise proposal is estimated to result in \$62 billion. The difference (\$6 billion) would go directly to oil producers, although some of the amount would return to Treasury in the form of producer income taxes on higher earnings. This \$6 billion could be viewed as a form of "plowback" by liberal members of the Senate. In view of the fact that Senator Long already has indicated that he favors a less severe tax that would result in only \$47 billion in net revenues, it is possible that the producers could gain as much as \$20 billion in revenues from a "compromise," over and above any amounts for energy development that would result from the trust fund. In view of this threat, the current terms of the compromise should be firm and final in this respect, not a starting point in negotiations.

Agree \_\_\_\_\_

Other \_\_\_\_\_

2. Splitting the wellhead tax revenues on a 50/50 basis between rebates and a trust fund would mean that only \$31.0 billion would be available for rebates, as opposed to the \$68 billion contained in the original Administration proposal. This means a significantly smaller rebate program of \$30 per capita rebates up to income levels of \$15,000 per year, rather than \$45 per capita rebates for all taxpayers. Should the amount for rebates be significantly less than \$31.0 billion, then the credibility of the whole rebate program would be in doubt. It therefore is essential to preserve \$30 billion in revenues for rebates.

Agree \_\_\_\_\_

Other \_\_\_\_\_

3. As a result of House action on the NEP, and assuming full rebate of the wellhead tax, we face a budget deficit of about \$20 billion for FY 78-85. The Senate has or is likely to delete two sources of revenues, the gas guzzler tax (\$1.0 billion) and the oil and gas use tax on industries and utilities (about \$5.0 billion). In addition, the Senate has increased spending, particularly in the coal bill where authorizations provide for over \$12 billion in loans and loan guarantees assistance and up to \$1.2 billion in grants for impact assistance and for compensation to certain companies required to convert to coal. The compromise on the wellhead tax will help ease adverse budget impact if trust fund revenues can be used to pay for the \$16 billion necessary to complete the 1 billion barrel petroleum storage program. If, however, storage is not a permitted use and the other taxes are deleted, then the adverse budget impact of the Senate bill could be significantly higher than \$20 billion. Further, under the terms of the compromise, the trust fund could have \$31.0 billion in receipts available for spending. If a major portion of this funding cannot be used for existing and planned DOE programs, then overspending for questionable energy development programs such as synfuels would become a real risk. For these reasons, it is vital that the Fund finance the strategic petroleum storage program.

Agree \_\_\_\_\_

Other \_\_\_\_\_

I hope you find these views helpful. If you have any questions, please advise.

39  
Date: October 4, 1977

## MEMORANDUM

## FOR ACTION:

Stu Eizenstat  
Hamilton Jordan  
Frank Moore (Les Francis)  
Jack Watson  
Charles Schultze  
Secretary Schlesinger

## FOR INFORMATION:

The Vice President  
Bob Lipshutz  
Jody Powell

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YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 10:00 A.M.

DAY: Thursday

DATE: October 6, 1977

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☐ I concur.☒ No comment.*Please note other comments below:*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

OCT 3 - 1977

ACTION

MEMORANDUM FOR

THE PRESIDENT

FROM:

JAMES T. McINTYRE, Jr. (Signed) Jim McIntyre

SUBJECT:

Administration Compromise - Crude Oil  
Equalization Tax (Wellhead Tax)

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  - Loan guarantees for development of high btu coal gasification plants, geopressurized methane, Devonian shale.
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Agree \_\_\_\_\_

Other \_\_\_\_\_

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Agree \_\_\_\_\_

Other \_\_\_\_\_

I hope you find these views helpful. If you have any questions, please advise.



THE WHITE HOUSE  
WASHINGTON

October 5

Mr. President:

Although my memorandum to you states that events have overtaken the specific decisions requested in Jim McIntyre's memo to you, I think that the background material he presents is important.

Jim Schlesinger and Larry Woodworth have had a number of discussions with Senator Long about a compromise along the general lines described in the McIntyre memo. Since these proposals could surface again in the future, I think it is helpful to have the analysis set out on paper.

Stu

Dan Tate also makes the point that no immediate decisions are needed on the issues presented by Jim McIntyre.

No other staff comments received.

-----Rick

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 5, 1977

MEMORANDUM FOR THE PRESIDENT

FROM

STU EIZENSTAT  
KITTY SCHIRMER

Stu

SUBJECT

COMMENT ON McINTYRE MEMO ON WELLHEAD TAX

Developments in the Senate Finance Committee this morning may have superceded Jim's memo outlining suggested limits of a possible compromise with the Committee on the wellhead tax. Due to the difficulties in developing a proposal which will be acceptable to both the Finance Committee and the Senate liberals, it appears that Long will opt for a bare-bones tax bill dealing only with residential and solar tax credits.

In addition, Senator Johnston will offer an oil pricing amendment to the electric utility rate reform bill as a substitute for our wellhead tax provision. The vote will probably occur tomorrow, and the outcome is uncertain at this time. Senator Johnston's amendment would decontrol new oil prices immediately and keep price controls on upper and lower tier oil, but at higher levels than current controls require. These controlled prices could rise by 6% per year or the inflation rate, whichever is greater. We have actively opposed this proposal.

If the Senate does not come up with any wellhead tax provision and the Johnston amendment fails, the focus of our discussions with the Congress will center around the Conference, not the Finance Committee. At that point, the boundaries of compromise may be substantially different than they now appear. In fact, the proposal discussed here may be too generous.

I will be meeting with Jim Schlesinger, Frank Moore, and other senior advisors to discuss the strategies on dealing with the Conference. Jim McIntyre will be included in these meetings and kept fully informed.

Electrostatic Copy Made  
for Preservation Purposes



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

OCT 3 - 1977

ACTION

MEMORANDUM FOR

THE PRESIDENT

FROM:

JAMES T. MCINTYRE, Jr.

SUBJECT:

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Agree \_\_\_\_\_

Other \_\_\_\_\_

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Agree \_\_\_\_\_

Other \_\_\_\_\_

I hope you find these views helpful. If you have any questions, please advise.

THE WHITE HOUSE

WASHINGTON

October 6, 1977

MEETING WITH SENATORS ON MID-EAST

Friday, October 7, 1977

8:45 a.m. (30 Minutes)

Cabinet Room

From: Frank Moore *f.m.*

I. PURPOSE

Meeting similar to your meeting today with House members.

II. PRESS PLAN

White House photo only

III. PARTICIPANTS

The President

The Vice President

Majority Leader Byrd

Alan Cranston

Clifford Case

Frank Church

Jacob Javits

Henry Jackson

Daniel Patrick Moynihan

Abraham Ribicoff

Richard Stone

Frank Moore

IV. TALKING POINTS

I have attached a copy of the talking points prepared by the State Department which I gave you for your meeting today with House members.

## TALKING POINTS FOR THE PRESIDENT

--First, let me express my apologies for not consulting you in advance on the nature of our joint statement with the Soviet Union on the Middle East. It has been our intention to consult with the Congress as fully as possible as this process unfolds. Somehow we failed to do this as the pressure of time of Gromyko's stay here pressed upon us. I think it was a good statement and very helpful to the peacemaking process. I will go into it in more detail later if you wish.

--Tuesday night, or early Wednesday morning, we reached a provisional agreement on a working paper with Israeli Foreign Minister Dayan. The Israeli Cabinet is now considering this working paper and we are in consultation with the Arab Governments about it.

1. Last night's events make it clear that we are in the midst of delicate negotiations in very close consultations with the Israelis.

2. Last night's discussions with Dayan resulted in progress in what is of necessity an ongoing process. We are cautiously optimistic and obviously more diplomatic activity will be required in the future.



3. It should be very clear from the UNGA speech and our joint statement with Dayan that the basis of our discussions with Dayan is Resolutions 242 and 338.

4. Finally, the US-Israeli joint statement of last night should make clear that we are proceeding in very close consultation with Israel and that we are and will respect all of our understandings and agreements with Israel concerning the resumption of the Geneva Peace Conference.

--I would like to share with you the key elements of this working paper.

(The President can provide details.)

--This paper is a procedural step which we believe removes a key obstacle to the convening of the Geneva Conference. We hope it will be helpful in reconvening the Conference. As you may know Foreign Minister Dayan has submitted to the Israeli cabinet for approval the working paper. Secretary Vance will be presenting it to the Arab Governments. If we can reach agreement on the formulation, the next step would be for the co-chairman to schedule a conference.



--I realize that you are concerned that the US-USSR statement and the development of procedures for Geneva presage a U.S. plan which we will seek to impose at Geneva. I have said many times that we are not going to try to impose a settlement on Israel or any of the parties. In order to be lasting, the settlement must be agreed to freely by all the parties concerned. As I have said before, I believe that a workable solution must include the Palestinians. We must, therefore, find a way to involve them directly in the negotiating process.

--When we speak of the rights of the Palestinians we speak of the fundamental human rights that all people should have a say in their own future. This is so fundamental a precept that it hardly needs repeating. The mechanism we use to secure that right for the Palestinian people will hopefully evolve at Geneva and be the product of an Arab-Israeli negotiation.

--It is my belief that the Palestinian people will not in the end choose the PLO as its ultimate representative. We are trying to create an atmosphere through a procedure at Geneva which will minimize PLO influence over the final settlement and maximize the opportunities of the moderate Palestinians after the settlement. This does not lead

necessarily to a conclusion that we support the formation of a Palestinian state. I can tell you privately that we think such a state on Israel's border would be a constant source of tension.

--Let me go on then to the original purpose of this meeting which is to describe the purpose of our joint statement with the USSR and explain in some detail some of the points which have generated criticism:

#### Involving USSR in Negotiations

--We start with the fact that it was agreed in October 1973 that the Russians are co-chairman with us of the Geneva Conference. Everyone involved has accepted them in that role, and in this sense they are already in the negotiations. At a time when all efforts are focused on reconvening the Conference, we felt it important and in fact necessary to engage them in those efforts.

--If they are totally excluded, the Russians have a potential for disrupting our efforts to move negotiations between the parties forward.

--They also have a potential for influencing the Palestinians to be more flexible. We are trying to put them in a position where they will have an incentive to use that influence constructively.

--The joint statement is carefully balanced. For the first time it puts the Russians on record that peace means more than the end of the state of war and must include "normal peaceful negotiations" as the end result of the peace negotiations--a position held by both the U.S. and Israel.

#### Legitimate Rights

--The language on "legitimate rights" is not standard Soviet or Arab language. They talk of "legitimate national rights" of the Palestinians, with all its implications for statehood for the Palestinians. No such formulation is in the statement, which makes clear that "legitimate rights" of the Palestinians are but one component of the kind of agreement we support, and are not to be achieved at the expense of Israel's rights to sovereignty.

#### Palestinian Representation

--The two Chairmen endorse Palestinian participation at the Conference, how that representation is to come about, or who the representatives should be, is a matter of consultation between ourselves and the parties--including, of course, Israel.

--The statement in no way commits us, or Israel, to a

particular formula for participation. Our position remains that additional participants must be agreed by all the original participants in the conference.

THE WHITE HOUSE  
WASHINGTON

October 6, 1977

Jack Watson

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: DATA-DYNAMICS CONTRACT WITH  
DEFENSE

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
✓	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

J. Watson on this  
Check on this No  
C. Duncan influence J

Mr. President,

Even though, in many ways I am hesitant to bring this matter to your attention I feel the gross injustice Mike is suffering warrants your knowledge of and hopefully assistance in this matter.

Data Dynamics, a data processing firm Mike works for is in danger of losing its 16 year (year-by-year renewal) contract with the Defense Department. Not on the basis of merit but rather that the contract is being expanded and now, Lockheed, Aerospace, GE, et al have now become interested and also have the capabilities of winning & dining the Generals (out in California) that are going to be making the decisions. To put it rather bluntly they are being out politicked. It's the same old story, big business has not decided its' time for the small guy to be pushed outside by whatever means necessary to keep competition down.

Without going into further details, I'm asking you to provide an opportunity for Mike to meet with Secretary Brown to simply make him aware of the situation. I'm not asking that any pressure be applied for this company. Just access for an opportunity to have a fair shake. Judgement on the basis of merit alone is all I'm asking for.

Please contact me as to the possibility of this meeting taking place. I will be at the DNC →

meeting over the weekend. My home  
address in Florida is NANCY J. ABRAMS,  
1232 NE 176 TERRACE, No Miami Beach. (PH# 305-  
651-5689) My office address is: Democratic  
Party Headquarters, 710 SW 27th Ave, Ft.  
Lauderdale, fl. 33312 (PH# 305-792-8710 or  
751-2525.)

Time is of the essence, sir.

Nancy

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1:45 PM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 5, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Jack Watson *Jack*  
SUBJECT: Meeting with Ray Marshall  
Thursday, October 6, 1977  
1:45-2:05 p.m. Oval Office

Ray wants to discuss the ILO. Stu and I recommend that, given the broad range of opinion among Cabinet Secretaries on this issue, you not make any final decision at this time.

Ray may also report briefly on our progress in implementing the Youth Employment Act.

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for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

October 6, 1977

Bob Lipshutz

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: INDEPENDENT ATTORNEY GENERAL

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

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	COSTANZA
	EIZENSTAT
	JORDAN
/	LIPSHUTZ
	MOORE
	POWELL
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	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
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next day

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	KRAFT
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	PETTIGREW
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	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

October 5, 1977

*I can't understand  
why this has taken  
more than 1*

MEMORANDUM FOR THE PRESIDENT

FROM:

ROBERT LIPSHUTZ

MARGARET MCKENNA

*RL*  
*MMK*

SUBJECT:

Independent Attorney General

This memorandum summarizes the analysis completed so far concerning proposals regarding an independent Attorney General. In our August 11th memo to you (attached) we assessed your campaign statements. They call for an independent Attorney General appointed for a specific period of time and removed from office only for malfeasance.

You question whether the Office of the Attorney General was constitutionally established. It is not. Article II of the Constitution vests in the President the responsibility "that the laws be faithfully executed". It provides that with the advice and consent of the Senate the President shall select those persons who are to act for him in executing the laws. Removing the Attorney General from the President's control would make him unaccountable to the President, the person constitutionally responsible for his actions. The Attorney General has concluded, and we agree, that legislation restricting your power to remove the Attorney General would most likely be found unconstitutional. The Constitution vests responsibility to enforce the laws with you.

The Justice Department is analyzing the possibility of your issuing guidelines which will detail your role vis a vis policy-making decisions in the Justice Department. We will keep you apprised of their progress.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

Bob-  
I understand that  
AG is not a office  
Constitutional  
re term, etc  
J

August 11, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ  
MARGARET MCKENNA *ML*

SUBJECT: Independent Attorney General

You have asked us to assess your campaign statements on the role of the Attorney General. We believe the following quote summarizes your position. (Two other statements from your speeches are attached.)

The Attorney General of this nation must be removed from politics and given the full prerogatives, independence, and authority of his or her own office, plus those allotted temporarily to the Special Prosecutor during the Watergate scandals. The Attorney General should be appointed for a specific period of time and should be removed from office only for malfeasance, as mutually determined by the President and designated leaders of Congress. The Attorney General and all assistants should be barred from all political activity.

We have asked the Justice Department, in view of your statements, to look at this issue again. As we have reported, they have previously concluded that they believe that anything short of a Constitutional amendment to set a term of years and, therefore, separate the Attorney General from Presidential control, would most likely be found unconstitutional. Methods they examined included legislation and an Executive order.

If they, upon re-examining the question, come to any different conclusion, we shall inform you.

"Following recent presidential elections, our U.S. Attorney General has replaced the Postmaster General as the chief political appointee; and we have recently witnessed the prostitution of this most important law enforcement office. Special prosecutors had to be appointed simply to insure enforcement of the law! The Attorney General should be removed from politics."

December 12, 1974, From an Address by Jimmy Carter announcing his candidacy for the 1976 Presidential nomination to the National Press Club.

"But following the recent presidential elections, our U. S. Attorney General has replaced the Postmaster General as the chief political appointee, and we have on recent occasions witnessed the prostitution of this most important law enforcement office.

"It was disgraceful that because of actual crimes within the Department of Justice and a lack of trust in the Attorney General a special prosecutor had to be appointed just to enforce the law. As much as is humanly possible the Attorney General should be removed from politics, and should enjoy the same independence and authority and should deserve as much confidence as did the special prosecutor during the last few weeks of the Watergate investigation."

August 11, 1976, From an Address by Jimmy Carter to the American Bar Association, Atlanta, Georgia

THE PRESIDENT HAS SEEN.

October 6, 1977

TO: The President  
FROM: Tim Kraft  
RE: Weekend Schedule

Friday, October 7, 1977

5:00 p.m. Depart South Lawn  
5:35 p.m. Arrive Camp David

Monday, October 10, 1977

11:30 a.m. Depart Camp David with Mrs. Carter  
(She departs for Puerto Rico at 1:30 p.m.)  
12:05 p.m. Arrive South Lawn

\_\_\_\_\_ approve \_\_\_\_\_ disapprove

OR

Mrs. Carter departs Camp David Monday morning;  
you remain with Amy for departure late afternoon  
or early evening.

\_\_\_\_\_ approve \_\_\_\_\_ disapprove

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THE WHITE HOUSE  
WASHINGTON  
October 6, 1977

Bob Lipshutz

The attached was returned in the President's outbox today. Please inform the Attorney General of the President's decision.

Rick Hutcheson

cc: Hamilton Jordan  
Jody Powell

RE: COMMUTATION OF SENTENCE FOR ANDRES  
FIGUEROA CORDERO, OF PUERTO RICO



THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

*Bob - pls convey Pres's decision  
to the A. G.*

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
	/	JORDAN
/		LIPSHUTZ
		MOORE
	/	POWELL - <i>conf</i>
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
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	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

October 5, 1977

*etc - Emphasize  
strongly that this  
is being done only  
on humanitarian  
grounds  
J.C.*

MEMORANDUM FOR THE PRESIDENT

FROM: Robert J. Lipshutz *RLJ*  
Hamilton Jordan *HJ*

SUBJECT: Commutation of Sentence for Andres Figueroa  
Cordero, of Puerto Rico

Andres Cordero, now 53 years old, was convicted in 1954 along with three other Puerto Ricans after firing upon and injuring several Congressmen. He was convicted of assault and conspiracy to overthrow the Government and is serving a 25 to 75 year sentence. He will not become eligible for parole until 1981. Mr. Cordero has terminal cancer and we have been told he has a life expectancy of four to eight weeks.

Mr. Cordero and the three other Puerto Ricans have become a rallying point for pro-independence groups in Puerto Rico who see them as political prisoners. Puerto Rican terrorists, namely the FALN, have thoroughly exploited this theme and have linked numerous bombings in this country with demands for the release of these "freedom fighters". In spite of this, Cordero's physical condition has invoked almost universal sympathy throughout the Puerto Rican community. Four former Governors, the current Governor, Puerto Rican Bar Association, the Council of Catholic Bishops, numerous Congressmen and other prominent leaders have called upon you to commute his sentence. Should Cordero die in prison, he may become a martyr for the cause and it could place a powerful propaganda weapon in the hands of the FALN given their apparent willingness to use force. Further loss of life (such as the New York bombing) may result in retaliation for his death.

The Justice Department guidelines for commutation of a sentence require the prisoner to request consideration. Cordero has refused to apply because he regards himself as a political prisoner.

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You have three options:

Option 1. You may require that Cordero file a petition for clemency in accordance with the guidelines. Everyone agrees that it is virtually certain that he will not apply and therefore he will die in prison. (We recommend disapproval.)

\_\_\_\_\_ Approve      \_\_\_\_\_ Disapprove

Option 2. You may direct Justice Department itself to consider clemency for him on the merits without his petitioning. The Attorney General believes this would set a bad precedent for the Department insomuch as they often have requests for relief on behalf of someone else. This would, however, place the responsibility for a recommendation of clemency on the Attorney General rather than you. (We recommend disapproval.)

\_\_\_\_\_ Approve      \_\_\_\_\_ Disapprove

Option 3. You may grant Cordero clemency and commute his sentence. Cordero is terminally ill. He has spent almost half his life in prison and he poses no threat in his debilitated condition. The basis for the commutation would be on purely humanitarian grounds because of his physical condition. (We recommend approval of this approach.)

\_\_\_\_\_ Approve      \_\_\_\_\_ Disapprove

If you decide on Option 3, we do not believe it would set a broad precedent. This is a unique case where a man who for ideological reasons will not apply for a commutation, but who is terminally ill.



Office of the Attorney General  
Washington, D. C. 20530

October 5, 1977

MEMORANDUM FOR THE PRESIDENT

Re. Andres Figueroa Cordero

Andres Cordero, a Puerto Rican nationalist serving a long Federal prison sentence for his part in the 1954 shooting spree in the House of Representatives, is reportedly dying of cancer at the Medical Center for Federal Prisoners, Springfield, Missouri. He has a life expectancy of four to eight weeks. Although he is understood to desire his immediate release in order to return to Puerto Rico to die, Cordero has refused to apply for clemency, as required by the rules governing Executive clemency, apparently because he regards himself as a political prisoner and refuses to recognize that the United States has any authority to imprison him. Nevertheless, his release is urged by many substantial sources.

Since Cordero will not become eligible for parole until 1981, the only method of effecting his immediate release is for you to grant him clemency in the form of a commutation of sentence to time served. The Department has often recommended clemency in terminal illness cases and you may wish to consider the granting of a commutation of sentence. He has not, however, sought commutation. You have, it seems to me, three options. You may require that Cordero file a petition in accordance with the rules as a prerequisite to the consideration of his case or at least require him to make some affirmative indication seeking this relief. You may direct the Department to consider clemency for him on the merits of the case without his seeking relief. Finally, you may grant clemency to him without prior consideration in the Department. If you should decide to grant clemency to him, I will direct the Pardon Attorney to prepare a warrant of clemency for your signature.

I cannot recommend granting a commutation without at least some indication from him seeking relief. This would set bad precedent for the Department inasmuch as we often have requests for relief on behalf of someone else. I do not object to being overruled on a case by case basis if that is your wish.

### Background

Cordero, now 52, was convicted in the United States District Court for the District of Columbia of assault with intent to kill and assault with a deadly weapon and on July 8, 1954, was sentenced to a total of from 25 to 75 years' imprisonment. He also was convicted in the United States District Court for the Southern District of New York of conspiracy to overthrow the Government and received an additional consecutive sentence of six years' imprisonment on October 26, 1954.

The offenses occurred in 1954 when Cordero, then 29 years old, participated with three other members of the Nationalist Party of Puerto Rico in the shooting of five Congressmen on the floor of the House of Representatives. All four of the Puerto Ricans were convicted for their involvement in the shooting. A fifth Puerto Rican nationalist who was convicted for the murder of a White House guard during an attempted assassination of President Truman in 1950, is serving a life sentence.

The Director, Bureau of Prisons, reports that Cordero's adjustment during his 23 years in confinement has been good. Nevertheless, he reportedly continues to identify with the Puerto Rican Nationalist movement and occasionally has made remarks of a revolutionary nature.

Cordero underwent extensive surgery for malignancy of the large bowel in 1972 and since then has had chest surgery on two occasions for the removal of metastases of a bowel tumor to the lung. On September 28, 1977, he underwent a bronchoscopy and a third metastasis was noted. In the opinion of the operating surgeon, Dr. Donald K. Wantuck, a pulmonary consultant to the Medical Center for Federal Prisoners, Cordero has a four to eight-week life expectancy. The Director, Bureau of Prisons, strongly recommends immediate clemency consideration for him.

The Director believes that a motion to the sentencing judge for reduction of the minimum term of the sentence under 18 U.S.C. 4205(g) in order to achieve immediate parole eligibility would be futile since Cordero has repeatedly said that he would refuse parole, apparently on the theory that he is a political prisoner and cannot be bound by parole conditions.

Moreover, the United States Attorney for the Southern District of New York presumably would oppose such a motion since he is currently engaged in an investigation into the recent activities of the FALN, a Puerto Rican underground organization believed responsible for recent terrorist bombings in New York City and elsewhere in the United States. He is understood to believe that release of Cordero would be detrimental to prosecution efforts although there is no apparent connection between the bombings and Cordero.

While Cordero apparently is still a revolutionary whose views are inimical to the United States, sentiment in Puerto Rico in favor of release of all five imprisoned nationalists runs high. The Governor of Puerto Rico, through Deputy Attorney General Rolando Silva, has requested Cordero's release. The Deputy Attorney General states that to allow Cordero to die while in prison would make him into a cause celebre and incite further terrorism on the island. To free him would blunt these same terrorist activities, he believes. It should be noted that Presidential intervention in Cordero's case could be based solely upon humanitarian grounds and should not be viewed as a precedent for the release of the other four Puerto Rican nationalists.

Respectfully,

A handwritten signature in blue ink, reading "William B. Beebe". The signature is written in a cursive, flowing style.

Attorney General

THE WHITE HOUSE  
WASHINGTON  
October 6, 1977

Stu Eizenstat  
Charles Schultz *ge*

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: The Vice President  
Frank Moore

RE: LETTER FROM SEN. DECONCINI  
RE WESTERN STATES - STOCKPILE



THE WHITE HOUSE  
WASHINGTON

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	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

/	MONDALE
	COSTANZA
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	JORDAN
	LIPSHUTZ
/	MOORE
	POWELL
	WATSON
	LANCE
/	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
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	PETTIGREW
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	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



JAMES O. EASTLAND, MISS., CHAIRMAN

JOHN L. MCCLELLAN, ARK. STROM THURMOND, S.C.  
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JOSEPH R. BIDEN, JR., DEL.  
JOHN C. CULVER, IOWA  
HOWARD M. METZENBAUM, OHIO  
DENNIS DE CONCINI, ARIZ.

FRANCIS C. ROSENBERGER  
CHIEF COUNSEL AND STAFF DIRECTOR

THE PRESIDENT HAS SEEN.

## United States Senate

COMMITTEE ON THE JUDICIARY  
WASHINGTON, D.C. 20510

October 6, 1977

*See - Charlie  
Comment - draft  
reply  
J*

### MEMORANDUM

TO: The President

FROM: Senator Dennis DeConcini

SUBJECT: Copper

**Electrostatic Copy Made  
for Preservation Purposes**

Perhaps the most pressing and immediate problem facing many of the Western states at this time is the growing copper industry crisis. This matter has been gestating for some time, and is now maturing into a top priority item. As the situation worsens---with little or no relief in sight---the impact is being felt in an ever-expanding circle. Mines are closing; miners are being laid off; many have been told they will not be re-employed; many others have been told that re-employment will only occur over a five year period; local economies are suffering; local welfare and other assistance is being strained. In general, there is a sense that Washington should act to assist this vital \$3.5 billion industry.

I believe, Mr. President, that an indication by you that you appreciate the nature and extent of the problem is eminently in order and would redound to your benefit. As you know, it is within your power under existing law to move towards the creation of a copper stockpile. Until very recently, the United States has, in fact, maintained a copper stockpile which at times has consisted of upwards of 1.3 million tons. The copper stockpile was sold off to reduce the size of the federal budget, but a task force under the Ford Administration recommended that it be reinstated at approximately a 1.2 million ton level.

Regardless of the ultimate size of the stockpile which you might wish to recommend and regardless of the fact that the necessary Congressional appropriations for the purpose would be, at best, a number of months away, it is my strong feeling (which is shared by knowledgeable persons in the industry) that an announcement by you of your intention to recommence the stockpiling of copper would be of enormous benefit. The psychological effect of the statement on the copper market---even if made without an indication of the amount---might turn the present situation around.

There is no doubt in my mind, Mr. President, that such an announcement would be universally welcomed in the western states as a demonstration of the Administration's understanding of the commitment to the resolution of the numerous problems facing the western states.

In my own view, your statement could and should be coupled with a further indication that you are instructing your Special Trade Representative to open discussions with other major copper consuming nations to develop mutually beneficial strategies for absorbing some of the massive copper stores which presently overhang the market and serve to depress prices. Furthermore, you might reiterate a commitment to work with both producing and consuming nations to develop a commodity agreement on copper.

It seems to me, Mr. President, that under the Trade Act of 1974 you have sufficient inherent authority to bargain effectively with those nations which have refused to curtail production in the face of declining world demand. For example, the major exporters of copper---Chile, Peru, Zambia, and Zaire---all receive preferential trade treatment exempting them from the statutory tariff on copper. It is within your discretion to remove copper from the list of commodities under the Generalized System of Preferences. I would certainly encourage you to pursue that course actively.

In recent years, the United States has enacted legislation designed to protect American working men and women, as well as our physical environment. These laws have created a burden on the copper industry which has increased the cost of production of American copper somewhere between 10 and 15¢ a pound. These higher costs of production have exacerbated the present problem and are forcing U.S. copper producers into a progressively less competitive position.

My own concern with the environment runs quite deep. Arizona holds some of the most beautiful and pristine areas in the Nation, areas which I believe we Arizonans hold in trust. Nonetheless, I am also convinced that American jobs should not be jeopardized as the result of our desire to protect the environment. It makes some sense, therefore, to attempt to equalize the burden by enacting legislation that would penalize imported copper from countries without comparable environmental controls. This would allow American copper to compete fairly with foreign copper.

The various proposals contained in this memorandum reflect not only my own thinking but that of other members of the Arizona delegation and, I am sure, other western Congressmen. I sincerely hope that you will give them special consideration. It is particularly crucial that you make some formal announcement on the stockpiling question as soon as possible.

Thank you.

THE WHITE HOUSE  
WASHINGTON

October 6, 1977

Bob Lipshutz

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Hamilton Jordan  
Frank Moore

RE: MEETING WITH SENATOR JACKSON  
ON INDIAN CLAIMS AND ENERGY  
APPOINTEES

THE WHITE HOUSE  
WASHINGTON

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ACTION  
FYI

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		COSTANZA
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/		JORDAN
/		LIPSHUTZ
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	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.  
THE WHITE HOUSE  
WASHINGTON

*Lab J*

October 5, 1977

MEMORANDUM FOR THE PRESIDENT

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FROM: Bob Lipshutz *RL*

I met today with Senator Henry Jackson regarding two matters.

Regarding the Indian claims, we had a very constructive discussion and I will give you a more detailed report within a few days.

The other matter which requires immediate attention relates to approximately 20 appointees to the Energy Department, whose confirmation is now pending before Senator Jackson's Committee. You will recall the guidelines which we have been following and which you have approved concerning the disclosure of FBI reports on appointees.

Senator Jackson reports that he simply will not have enough time to review all of these FBI files promptly, but that he does feel a responsibility to have them reviewed on behalf of the Senate Committee.

I would like to make a recommendation for a slight modification in the guidelines which we have been following, which still preserves the basic integrity of these reports and may in fact be an improvement on the procedures which we have been following.

My recommendation is that, in those cases where the FBI file does not contain any significant derogatory information about an appointee, we permit the Senate Committee Chairman to designate one of his top aides to review those particular reports, still without making any actual copies of them, and still with the same understanding that the information is to be treated on a confidential basis.

In those cases where there is some significant derogatory information about an appointee, we still would insist that only the Chairman of the Committee or the Minority Member of the Committee be permitted to review reports. I recommend approval of this modification in our procedure.

\_\_\_\_ Approve

\_\_\_\_ Disapprove

*Only if still to your  
member office & you have  
the report  
JC*